

# NIRI - Korn/Ferry International IRO Compensation Survey



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Results Summary of Fortune 500 IROs



1. What is your current title?		
Chief Financial Officer	0	0%
Senior Vice President	14	11%
Vice President	80	62%
Senior Director	3	2%
Director	23	18%
Manager	2	2%
Other, please specify	7	5%
<b>Total</b>	<b>129</b>	<b>100%</b>

2. Do you have responsibilities in addition to Investor Relations (IR)?		
Yes	56	43%
No	74	57%
<b>Total</b>	<b>130</b>	<b>100%</b>

3. Please indicate your additional responsibilities. (Check all that apply)		
Financial Media Relations	26	47%
Corporate Communications	20	36%
Financial Analysis	15	27%
Strategic Planning	10	18%
Treasury	8	15%
Corporate Secretary	0	0%
Other, please specify	24	44%

**4. To whom do you report?**

President/CEO	15	12%
Chief Financial Officer	93	72%
Chief Operating Officer	1	1%
Treasurer	14	11%
Corporate Controller	2	2%
General Counsel	0	0%
Chief Communications Officer	1	1%
Other, please specify	3	2%
<b>Total</b>	<b>129</b>	<b>100%</b>

**5. Please indicate the percent of their time the following positions spend communicating with the Street.**

127 Responses. Averages of all respondents as follows:  
CEO: 16%, CFO: 14%, IRO: 68%

**6. How many professional Investor Relations direct reports do you have? (Not including administrative staff)**

1 to 2	79	61%
2 to 4	16	12%
4 to 6	4	3%
6 to 8	1	1%
8 to 10	0	0%
More than 10	0	0%
None - I hold a management position, but have no direct reports	28	22%
None - I do not hold a management position	1	1%
<b>Total</b>	<b>129</b>	<b>100%</b>

**7. How many total Investor Relations reports do you have? (Including administrative staff)**

1 to 2	66	51%
2 to 4	39	30%
4 to 6	9	7%
6 to 8	2	2%
8 to 10	1	1%
More than 10	1	1%
None - I hold a management position, but have no direct reports	10	8%
None - I do not hold a management position	1	1%
<b>Total</b>	<b>129</b>	<b>100%</b>

**8. If you have other responsibilities in addition to Investor Relations, what is the total department headcount reporting in to you?**

1 to 2	15	12%
2 to 4	11	9%
4 to 6	7	6%
6 to 8	3	2%
8 to 10	8	6%
More than 10	72	58%
Other, please specify	8	6%
<b>Total</b>	<b>124</b>	<b>100%</b>

**9. In the past year, has your IR organization staff increased or decreased in size?**

Increased	24	19%
Decreased	12	9%
No change	93	72%
<b>Total</b>	<b>129</b>	<b>100%</b>

**10. Is the head of Investor Relations function of your company considered rotational?**

Yes	23	18%
No	106	82%
<b>Total</b>	<b>129</b>	<b>100%</b>

**11. Are the staff level Investor Relations positions of your company considered rotational?**

Yes	54	42%
No	74	58%
<b>Total</b>	<b>128</b>	<b>100%</b>

**12. What is the size of the IR budget that you are responsible for? (*Excluding* annual report costs, stock market listing fees and allocated overhead, but *including* salaries and benefits)**

Less than \$100,000	2	2%
\$100,000 - \$499,999	26	20%
\$500,000 - \$999,999	50	39%
\$1 million - \$2,499,999	44	34%
\$2.5 million - \$5 million	7	5%
<b>Total</b>	<b>129</b>	<b>100%</b>

**13. What is the size of the IR budget that you are responsible for? (*Including* annual report costs, stock market listing fees, allocated overhead, salaries and benefits)**

Less than \$100,000	1	1%
\$100,000 - \$499,999	11	9%
\$500,000 - \$999,999	37	29%
\$1 million - \$2,499,999	63	49%
\$2.5 million - \$5 million	16	12%
<b>Total</b>	<b>128</b>	<b>100%</b>

**14. How many sell-side analysts cover your company currently?**

None	0	0%
1 to 4	0	0%
5 to 9	19	15%
10 to 14	41	32%
15 to 19	33	26%
20 or More	36	28%
<b>Total</b>	<b>129</b>	<b>100%</b>

**15. What is your current base salary? (This information will be held in strictest confidence and cannot be linked to you or your company in any way)**

Less than \$100K	4	3%
\$100K - \$125K	8	6%
\$126K - \$150K	8	6%
\$151K - \$175K	17	13%
\$176K - \$200K	22	17%
\$201K - \$225K	16	12%
\$226K - \$250K	18	14%
\$251K - \$275K	11	9%
\$276K - \$300K	11	9%
\$301K - \$325K	9	7%
\$326K - \$350K	2	2%
\$351K - \$375K	1	1%
\$376K - \$400K	0	0%
\$401K - \$425K	1	1%
\$426K - \$450K	0	0%
\$451K - \$475K	0	0%
\$476K - \$500K	0	0%
\$501K - \$700K	0	0%
More than \$700K	0	0%
<b>Total</b>	<b>128</b>	<b>100%</b>

**16. In which of the following ranges did your 2006 cash bonus fall, excluding any long-term incentive plan payouts? (This information will be held in strictest confidence and cannot be linked to you or your company in any way)**

Less than \$10,000	3	2%
\$10,000 - \$19,999	5	4%
\$20,000 - \$29,999	9	7%
\$30,000 - \$39,999	7	6%
\$40,000 - \$49,999	9	7%
\$50,000 - \$74,999	17	13%
\$75,000 - \$99,999	22	17%
\$100,000 - \$124,999	21	17%
\$125,000 - \$149,999	10	8%
\$150,000 - \$174,999	3	2%
\$175,000 - \$199,999	5	4%
\$200,000 or more	14	11%
Did not receive bonus	2	2%
<b>Total</b>	<b>127</b>	<b>100%</b>

**17. What is your target cash bonus on an annual basis?**

0% - 25%	19	15%
26% - 50%	73	57%
51% - 75%	16	13%
76% - 100%	12	9%
101% - 150%	3	2%
151% - 200%	1	1%
Greater than 200%	0	0%
Compensation does not include cash bonus program	3	2%
<b>Total</b>	<b>127</b>	<b>100%</b>

**18. Which of the following do you receive as the equity portion of your compensation?**

Do not receive equity compensation	6	5%
Stock Options	95	73%
Restricted Stock/Units	94	72%
Long-Term Incentive Plan	47	36%
Other, please specify	5	4%

**19. What is the approximate target amount of each type of annual equity grant in terms of dollar value or percentage of base salary?**

94 Responses: Median value was \$70,000

**20. What benefits do you receive in addition to cash compensation?**

Automobile	24	19%
Club membership	11	9%
Deferred compensation plan	66	53%
Financial/tax planning	37	30%
Long-term incentive plan	40	32%
Medical examinations	53	43%
Special officer pension plan	18	15%
Split-value life insurance plan	12	10%
Receive no benefits in addition to cash compensation	22	18%
Other, please specify	11	9%

**21. Do you have a "change of control" agreement? If so, for how long?**

3 months	1	1%
6 months	3	2%
12 months	23	18%
18 months	2	2%
More than 18 months	17	13%
Do not have "change of control" agreement	81	64%
<b>Total</b>	<b>127</b>	<b>100%</b>

**22. Do you have a non-compete agreement?**

Yes	36	28%
No	93	72%
<b>Total</b>	<b>129</b>	<b>100%</b>

**23. Please indicate your gender.**

Male	86	67%
Female	43	33%
<b>Total</b>	<b>129</b>	<b>100%</b>

**24. Please indicate your age.**

Under 30	1	1%
30 – 39	21	16%
40 – 49	55	43%
50 – 59	44	34%
60 – 69	8	6%
70 or more	0	0%
<b>Total</b>	<b>129</b>	<b>100%</b>

**25. How many years have you been employed in Investor Relations?**

0 - 2 years	21	16%
2 - 4 years	17	13%
4 - 6 years	16	12%
6 - 8 years	12	9%
8 - 10 years	12	9%
10 - 12 years	10	8%
More than 12 years	41	32%
<b>Total</b>	<b>129</b>	<b>100%</b>

**26. How long have you been in your current position?**

1 - 2 years	31	24%
2 - 4 years	31	24%
4 - 6 years	22	17%
6 - 10 years	23	18%
10 - 15 years	15	12%
15 - 20 years	7	5%
More than 20 years	0	0%
<b>Total</b>	<b>129</b>	<b>100%</b>

**27. Do you see yourself as a career IR officer or is this a transitional role for you?**

Career	63	49%
Transitional	38	29%
Undecided	28	22%
<b>Total</b>	<b>129</b>	<b>100%</b>

**28. Including your current role, how many total industries have you worked in?**

1	35	27%
2 to 3	57	44%
3 to 4	17	13%
4 or more	20	16%
<b>Total</b>	<b>129</b>	<b>100%</b>

**29. Please check all college degrees and credentials that apply.**

BA	48	38%
BS	72	56%
MBA	78	61%
MA	9	7%
MS	9	7%
PhD	0	0%
JD	2	2%
CPA	29	23%
CFA	8	6%
Other, please specify	10	8%

**30. Prior to IR, in which field did you gain the most professional experience?**

Corporate administration	1	1%
Corporate communications/PR	19	15%
Corporate finance	66	52%
Corporate marketing/sales	9	7%
Corporate operations/line function	6	5%
Corporate strategic planning/corporate development	15	12%
Securities industry - Buy-side	3	2%
Securities industry - Sell-side	6	5%
Securities industry - Retail brokerage	2	2%
Securities industry - IR counselor	1	1%
Service provider	2	2%
Other, please specify	22	17%

**31. Have you ever served as a sell-side or buy-side analyst in your career?**

Yes	9	7%
No	121	93%
<b>Total</b>	<b>130</b>	<b>100%</b>

### 32. Where is your company headquartered?

Alabama	0	0%
Alaska	0	0%
Arizona	3	2%
Arkansas	2	2%
California	11	9%
Colorado	2	2%
Connecticut	2	2%
Delaware	0	0%
District of Columbia	0	0%
Florida	4	3%
Georgia	6	5%
Hawaii	0	0%
Idaho	0	0%
Illinois	15	12%
Indiana	1	1%
Iowa	0	0%
Kansas	0	0%
Kentucky	2	2%
Louisiana	0	0%
Maine	0	0%
Maryland	2	2%
Massachusetts	3	2%
Michigan	2	2%
Minnesota	5	4%
Mississippi	0	0%
Missouri	0	0%
Montana	0	0%
Nebraska	1	1%
Nevada	0	0%
New Hampshire	0	0%
New Jersey	7	6%
New Mexico	0	0%
New York	10	8%
North Carolina	4	3%
North Dakota	0	0%
Ohio	9	7%
Oklahoma	1	1%
Oregon	0	0%
Pennsylvania	6	5%
Rhode Island	1	1%
South Carolina	1	1%
South Dakota	0	0%
Tennessee	3	2%
Texas	16	13%
Utah	0	0%
Vermont	0	0%
Virginia	4	3%
Washington	2	2%
West Virginia	0	0%
Wisconsin	1	1%
Wyoming	0	0%
Non-U.S. headquarters. Please specify	1	1%
<b>Total</b>	<b>127</b>	<b>100%</b>

**33. What is your company's market cap size?**

Under \$100 million	0	0%
\$100 - \$499 million	1	1%
\$500 million - \$1.4 billion	4	3%
\$1.5 - \$4.9 billion	23	18%
\$5 - \$9.9 billion	32	25%
\$10 - \$99 billion	65	50%
Over \$100 billion	5	4%
<b>Total</b>	<b>130</b>	<b>100%</b>

**34. On what exchange is your company listed?**

NYSE Euronext	120	92%
NASDAQ	10	8%
AMEX	0	0%
London	1	1%
Tokyo	0	0%
Toronto	0	0%
Other, please specify	1	1%

**35. Which of the following best describes your company's industry?**

Aerospace	2	2%
Automotive	4	3%
Banking	7	6%
Biotechnology, Biomedicine, Bioscience	0	0%
Building materials / Construction	8	6%
Chemicals	6	5%
Conglomerates	1	1%
Consumer products	8	6%
Containers	2	2%
Consultant	0	0%
Discount & Fashion Retailing	7	6%
Drugs & Research / Drug Distribution	4	3%
Electrical Instruments	1	1%
Electrical Products & Electronics	3	2%
Financial Services	5	4%
Food	7	6%
Fuel	3	2%
Health Care Services	8	6%
Insurance	5	4%
Leisure Time Products	2	2%
Manufacturing	7	6%
Medical Products	0	0%
Metals & Mining	1	1%
Paper & Forest Products	2	2%
Publishing & Broadcasting	0	0%
Real Estate	0	0%
Savings & Loans	0	0%
Service Industries	4	3%
Service Provider	4	3%
Technology: Hardware, Peripherals	5	4%
Technology: Internet	0	0%
Technology: Software	3	2%
Telecommunications	2	2%
Transportation	7	6%
Utilities & Power	8	6%
N/A (Not applicable)	1	1%
<b>Total</b>	<b>127</b>	<b>100%</b>